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# 2010 JOBS TAX CREDIT

## Fact Sheet

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New for 2010 is a jobs tax credit available for businesses for taxable years that begin on or after January 1, 2010.

This fact sheet provides a general overview of the schedule to file in order to claim the credit, the qualifications for claiming the credit, and what documents to include with your tax return. Detailed information is available in the instructions for Schedule JT. Nothing in this fact sheet replaces or changes any provisions of Wisconsin tax law, administrative rules, or court decisions.

### CLAIMING THE CREDIT

Use Schedule JT to claim the jobs tax credit and include the schedule with your Wisconsin franchise or income tax return. Also include a copy of the certificate of eligibility to claim tax benefits issued by the Wisconsin Department of Economic Development when the tax return is filed. For more information regarding how to become certified, visit the Wisconsin Department of Economic Development web site at <http://www.commerce.wi.gov/wedc/>.

### WHO IS ELIGIBLE TO CLAIM THE CREDIT

An individual, estate, trust, partnership, limited liability company (LLC), corporation, or tax exempt corporation that is certified by the Wisconsin Department of Economic Development may claim the credit.

### WHO MAY NOT CLAIM THE CREDIT

Partnerships, LLCs treated as partnerships, and tax option S-corporations cannot claim the credit; however, the credit computed by those business entities can pass through to the partners, members, or shareholders.

### QUALIFICATIONS

To qualify for the 2010 Wisconsin jobs tax credit, you must meet all of the following conditions:

- The claimant must be certified by the Wisconsin Department of Economic Development that the claimant is operating or intends to operate a business in Wisconsin and that a contract has been entered into with the Wisconsin Department of Economic Development.
- The claimant has received from the Wisconsin Department of Economic Development a notice of eligibility to receive tax benefits that reports the amount of tax benefit for which the claimant is eligible.

### CREDIT COMPUTATION

The credit is based on the amount of wages paid to eligible employees in the taxable year, subject to a maximum amount of ten percent of such wages, and the costs incurred by the claimant to undertake training activities in the current year.

### UNUSED CREDITS

For taxable years that begin in 2010 and 2011, the jobs tax credit can only be used to reduce the amount of tax owed to zero. If there are unused credits remaining from those years, they may be carried forward to taxable years beginning in 2012 when the credit can be used to reduce the amount of tax to zero and any remaining credit will be refunded.

### CREDIT IS INCOME

The amount of credit computed on Schedule JT is income and must be reported on your Wisconsin franchise or income tax return in the year computed.